

Resolution R19-038

*Approving Special Legislation and Adopting the City of Cambridge's
One-Half Percent Local Option Sales Tax
and Identifying Specific Capital Projects to be funded by Sales Tax Proceeds*

Whereas, the Cambridge voters approved a local referendum at the November 2018 general election on the following question:

“Do you approve a one-half (.005) percent local option sales tax to fund the construction of a new Cambridge Public Library and East Central Regional Library Headquarters, the City’s street improvement program, and outdoor park development through calendar year 2043?”

Whereas, the City sought special legislation during the 2019 Legislative Session to seek legislative approval for the City’s local option sales tax and the Legislature adopted the special legislation allowing the tax; and

Whereas, the Session Laws 2019, First Special Session, Chapter 6 passed by the Legislature and signed by Governor Tim Walz into law requires the City to adopt a resolution at a regularly scheduled City Council meeting outlining each of the specific capital projects that will be funded by the tax and the anticipated amount of the revenues to be raised from the tax that will be used for each project.

NOW THEREFORE BE IT RESOLVED, that the City of Cambridge hereby approves the special legislation referenced above and institutes a one-half percent local option sales tax to fund the following projects:

- (1) \$8,000,000 plus associated bonding costs for construction of a new facility to house the Cambridge Public Library and the East Central Regional Library Headquarters.
- (2) \$2,700,000 plus associated bonding costs for the 2020 Street Improvement Project which includes a County turnback road of 16th Avenue SE, Old S Main Street to South Xylite (Opportunity) Street, 16th Avenue SE to Xylite (Opportunity) Street to Aspen Street, South Main Street-8th Ave SE to 24th Ave SE and \$216,000 for the 16th Avenue Trail connection from Old South Main Street to Aspen Street.
- (3) \$1,200,000 plus associated bonding costs for the City’s share of Trunk Highway 95 street improvements from Davis Street to the Rum River which includes sanitary sewer, storm sewer, sidewalks, and water main infrastructure.
- (4) \$1,200,000 for street improvements for Fern Street to Trunk Highway 95 to 9th Avenue SW, 9th Ave SW to South Fern Street to South Dellwood Street, 2nd

Avenue SW to County Road 70 to South Fern Street, South Dellwood St to 11th Ave SW to 18th Ave SW.

- (5) \$2,500,000 for street improvements plus associated bonding costs for 2nd Avenue SE to Opportunity Blvd. to Alabama Street; Balsam St to Trunk Highway 95 to 2nd Avenue SE; 3rd Ave NE to Opportunity Boulevard to Balsam St; Balsam St N to Trunk Highway 95 to 400 feet North of 3rd Ave NE, and collector street overlays.
- (6) \$4,000,000 for street improvements plus associated bonding costs for Alabama Street improvement project from Trunk Highway 95 to 16th Ave SE (Partnership project with Cambridge Township).
- (7) \$1,200,000 plus associated bonding costs for the Cambridge-Isanti Bike Walk Trail connection to City Park (right of way, engineering, design, environmental study, and all associated construction costs).
- (8) \$750,000 plus associated bonding costs for Sandquist Family Regional Park improvements (construction of an additional softball field, baseball field, youth football field, youth soccer field, multipurpose field, sprinkling, lighting, score boards, and parking lot improvements)

The tax imposed expires at the earlier of December 31, 2043 or when the city council determines that the city has received from this tax \$22,000,000 to fund the projects listed above plus an amount sufficient to pay costs, including interest costs, related to the issuance of the bonds.

Any funds remaining after payment of the allowed costs due to timing of the termination under Minnesota Statutes, section 297A.99, shall be placed in the city's general fund. The tax imposed under subdivision 1 may expire at an earlier time if the city so determines by ordinance.

Adopted this 3rd day of June, 2019

James A. Godfrey, Mayor

ATTEST:

Linda J. Woulfe, City Administrator